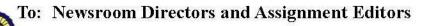
AgNews DELAWARE DEPARTMENT OF AGRICULTURE

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Delaware Crop Insurance Cost Share funding increased in new budget

Delaware's recently passed FY 2009 budget includes a \$150,000 funding increase for the Delaware Crop Insurance Cost Share Program that brings the total appropriation to \$750,000. The bill also removes the appropriation from "one-time funding status" and makes it a part of the Department of Agriculture's base budget. The Delaware Crop Insurance Cost Share Program, administered by the Delaware Department of Agriculture (DDA), gives assistance to insure Delaware's farmers against crop damage and loss, and shores up Delaware's agricultural industry. It will help farmers better manage their risk at reasonable costs.

"Agriculture is a more than \$1 billion industry that is obviously vital to Delaware's economy and our quality of life," Gov. Ruth Ann Minner said. "I want to do everything I can to assist our farmers, and the Delaware Crop Insurance Cost Share Program with its increased funding will provide better incentives for our farmers to take advantage of improvements in available crop insurance products."

Since its inception, starting with the 2004 crop year, the program has provided \$1,957,589 in crop insurance cost share to Delaware farmers. The program provides up to 30% of the farmer paid premium for crop insurance, not to exceed \$3 per acre. If total calculated benefits for all Delaware farmers exceed the available funding, benefits are prorated equally among all participants. For the 2007 crop year, calculated benefits exceeded the \$600,000 available. To bring the program expenditures within the available funding, DDA had to prorate benefits at about 91 percent.

Michael Scuse, secretary of agriculture and a farmer, said, "Farming is fulfilling, but it is also a risky business. I feel that this program is making a significant contribution to the stability of Delaware agriculture during some pretty risky times. Last year, we had a severe drought; this year we have seen flooding accompanied by salt water intrusion in to our planted fields. Many more weather emergencies could affect us between now and harvest of many of our crops. Although we are seeing higher prices for our crops in many instances, input costs are increasing nearly as fast or faster.

"Sound risk management is essential today. With the help of the Delaware Crop Insurance Cost Share Program, our farmers are significantly enhancing their coverage levels. So much so that even though we experienced a drought disaster last year, Delaware farmers received over \$17.5 million in crop insurance loss payments, more than double any previous year. And for 2008 about 8.5 percent more Delaware crop insurance policies were purchased than in 2007. It is clear that the cost share program is a good investment in Delaware agriculture, leveraging significant Federal assistance and private risk coverage."

I am very grateful to Governor Minner and the General Assembly for the additional funding and for making this part of DDA's base budget. We definitely have one of, if not the, strongest programs in the country."